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C O N F I D E N T I A L SECTION 01 OF 03 TEL AVIV 000294

SIPDIS

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TAGS: [PREL](#) [PGOV](#) [PINR](#) [KWBG](#) [IS](#)
SUBJECT: ONE WEEK UNTIL GENERAL ELECTIONS - BIBI OUT IN
FRONT

Classified By: DCM Luis G. Moreno. E.O. 12958 Reason 1.4 (B/D)

[11.](#) (C) Summary: One week ahead of general elections, the polls, pundits and politicians are nearly unanimous in their assessment that Binyamin Netanyahu will be the next Prime Minister. Polls have consistently given his Likud Party about thirty seats, and the overall balance of the 120-member Knesset is expected to shift to the right. As much as 30 percent of the electorate remains undecided, which could signal indifference and a low voter turnout that would hurt the major parties (Kadima, Likud and Labor) and benefit the sectarian parties with organized and committed followers or the marginal parties attempting to cross the two percent threshold for obtaining a Knesset seat. Or, it could allow an opportunity for an exogenous event to affect the voting. A Hamas rocket barrage, terrorist incident or the release of Gilad Shalit are the sort of events that still could have an impact on current trends. End Summary.

CAMPAIGN THEMES: SECURITY, THE ECONOMY, AND CITIZENSHIP

[12.](#) (SBU) The global financial crisis is beginning to have an impact in Israel in terms of some rising unemployment, but the generally robust growth of the Israeli economy in recent years has cushioned the blow. Consequently, the economy is a second-tier issue in a campaign that is dominated by the aftermath of the recent Gaza conflict and the overriding Israeli concern about national security. Since all the major parties, and many of the smaller parties on both the left and right ends of the political spectrum, generally share a similar view of the threat posed by Iran and its proxies in the region, there is not much room for debate. In fact, there has been no formal debate of any sort beyond a YouTube event that featured Netanyahu, Foreign Minister Livni, and Defense Minister Barak, and informal presentations by party representatives to various audiences, including the small Anglo community. In short, the right-wing parties argue that the government should have continued the Gaza operation and "destroyed Hamas" while the parties in the coalition argue that Israel called a halt once Israeli deterrence against Hamas and its rocket arsenal was established. Coalition members also stress Israel's desire to avoid re-occupying and administering Gaza. Should violations of the current unilaterally declared ceasefires continue and/or escalate, then the issue of Gaza will again be on the minds of Israeli voters. Hamas has cards to play, and through its actions (or inaction in controlling other militants operating in the Gaza Strip) in the coming week could prompt the Israeli electorate to tilt even further to the right.

[13.](#) (SBU) MOD Barak has played softball with Netanyahu, labeling him a "capitalist." In turn, Netanyahu (whose ads proclaim is "strong on security" and "strong on the economy") has retorted that a man who lives in a 10 million USD glass tower penthouse shouldn't throw stones: Barak is no socialist. Both former prime ministers respect each other as members of that club, and as former soldiers in the elite Sayeret Matkal IDF unit in the 1970's (which Barak commanded, and in which Netanyahu and his brother served). The dirtiest messaging of the campaign between the three front runners has been reserved for the Netanyahu-Livni duet. A Kadima television ad features clips of Netanyahu making statements while a lie-detector registers furious movement in red ink that ultimately reveals a portrait of Netanyahu. Likud quickly responded with billboards showcasing Livni with her head in her hands against a black background and a caption that proclaims: "She's weak on security - it's too much for her." Taking an unattributed cue from Netanyahu's 2006 campaign ad that showcased Netanyahu's lifestory and the role of his father, Livni's campaign featured a similar pastiche heralding her father's role in the pre-independence Irgun militia. Her ad featured an additional gimmick - clips of her in the company of world leaders that have her face obscured until the end when the ad pitches the potential of a female prime minister. While the ad undoubtedly aimed at attracting female voters displeased with the chauvinism of

her competitors , there is no indication that Kadima under her leadership is attracting more female votes. In fact, even the Likud Party supporters with its paucity of female candidates (but a strong record of enacting women's rights legislation) is more likely to be female than those of Kadima, according to a recent poll conducted by the Globes publication on January 30.

14. (SBU) Yisrael Beiteinu has conducted the most audacious (if not inflammatory) campaign of the year in its singular focus on the Arabs in Israel and playing to Israeli Jewish concerns that Israeli Arabs are increasingly disloyal. Running on the theme of "Without Loyalty, there is no Citizenship" Lieberman has pledged to enact legislation requiring Israeli citizens to pledge allegiance to the state.

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His ads include a somber-sounding refrain that Lieberman alone "understands Arabic" - a veiled reference to the effectiveness of using strong arm tactics against this minority group. The Arabs' retort is to call Lieberman a fascist, and swastikas have been scrawled on some of his campaign posters. In successive elections, and despite several corruption investigations, Lieberman has managed to shift his party into a mainstream, right-wing alternative to Likud, and seems likely to be a partner with Netanyahu in the next government. The Meretz Party, however, is explicitly running against Lieberman in its campaign.

THE FRONT RUNNERS

15. (U) The latest polling data from Ma'ariv, Ha'aretz and Globes newspapers and TV channels 1 and 2 indicates that the Likud Party remains the front-runner with anywhere from 28-31 seats in the next Knesset. Kadima is anticipated to receive between 23-25 seats. The race for third place is between Labor (13-17) and Yisrael Beiteinu (15-16). After the "big four" comes Shas, the Sephardic Haredi party (10 seats); the "new Meretz" (5-7); and United Torah Judaism (the Ashkenazi Haredi party) with 5-6. While Israeli polls are of questionable reliability when predicting precise outcomes, the recent polls track with our assessments of where the parties stand presently.

16. (U) The Gaza conflict dashed Meretz' hopes of galvanizing the left by capitalizing on Barak's poor political standing. Shas, meantime, is directing its campaign attacks against Livni, alleging that she plans to divide Jerusalem and deprive ultra-Orthodox Israeli children of the allowances they deserve. In 2006, Shas blasted Netanyahu for similar budget positions, but the party is openly advocating a coalition with Likud in this election. The religious Zionist camp that espouses continued settlement of the West Bank is split between the new "Jewish Home" party (3-4 seats) and the National Union Party (2-5). The three main Arab parties are slated to win a total of roughly 10 seats. The failed attempt to bar two of these Arab parties from the elections was led by Yisrael Beiteinu, but supported by all other parties (except Meretz). Arab leaders are not urging a boycott (as they did in 2000), as they fear such action would only bolster their antagonists. Nonetheless, low Arab turnout could keep one or more of the Arab parties from crossing the two percent-of-the-popular vote threshold required to obtain a seat.

NICHE PARTIES AD THEIR ISSUES

17. (SBU) In the 2006 election, he protest vote went to the Pensioners Party, which won a surprising seven seats and partnered with the Kadima-led coalition. Few predict they will return to the Knesset in 2009, as the undecided or unhappy are likely to cast their ballots to the right rather than to the left. Niche parties such as the Green Leaf party, which lobbies for the legalization of marijuana, and the more mainstream left-oriented parties such as "the Greens" (which did well in municipal elections) and the new "Green Movement," which is allied with the Meimad Party of Rabbi Melchior, are also unlikely to cross the threshold. Nonetheless, Alon Tal, a Green-Meimad candidate, predicted that the movement "will be the story on election day." The indefatigable efforts of former Labor MK Ephraim Sneh to create a following for his "Israel is Strong" party on an anti-organized crime platform are as compelling as they are courageous: his car was torched recently, presumably by organized crime elements. Even so, his new party isn't likely to cross the threshold.

COMMENT: THE DAY AFTER

18. (C) Some political observers on the left hold out hope that Livni and Barak will join forces -- if not over the coming week, then immediately after the vote -- in a bid to cement a center-left political alliance that will be given a nod from President Peres to form a government. We consider

this unlikely, however, as both despise each other, and Barak acquaintances bet that he will opt to serve as defense minister in a Likud-led government. Left-leaning members of the Labor Party insist that the party will not join a government that includes the right-wing Yisrael Beiteinu Party, but insiders note that Labor has already sat in a coalition with this party. Other observers underscore that Netanyahu will want to include Labor and/or Kadima in his coalition as a means of "balancing" the right-wing and Haredi (ultra-Orthodox) parties, and hopefully avoiding friction with the U.S. Both Netanyahu and Barak share an interest in fracturing the Kadima hybrid into its original Labor and Likud elements, and Netanyahu may calculate that sending Kadima into the opposition could lead to that result.

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